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P.L. 1999, CHAPTER 375, *approved January 14, 2000*  
Senate, No. 1241 (*Third Reprint*)

1 AN ACT concerning the expiration of certain municipal taxes,  
2 amending <sup>2</sup>and supplementing<sup>2</sup> P.L.1970, c.326 <sup>1</sup>[and repealing  
3 section 8 of P.L.1970, c.326 (C.40:48C-8)]<sup>1</sup>.

4  
5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

7  
8 1. Section 19 of P.L.1970, c.326 (C.40:48C-19) is amended to  
9 read as follows:

10 19. <sup>2</sup>[No] a. Except as provided in subsection b. of this section  
11 no<sup>2</sup> tax shall be imposed under any ordinance adopted pursuant to this  
12 article with respect to services performed prior to January 1, 1971, or  
13 in a calendar quarter prior to that in which the ordinance is adopted,  
14 or in a municipality that has not within two years prior to July 1, 1995  
15 collected taxes or enacted an ordinance imposing a  
16 tax, or on or after December 31, 1999; but any such ordinance shall  
17 remain in effect with respect to the right of the municipality to receive  
18 reports and enforce and collect taxes due thereunder for any period  
19 prior to December 31, 1999]<sup>1</sup>, or on or after December 31, 2004; but  
20 any such ordinance shall remain in effect with respect to the right of  
21 the municipality to receive reports and enforce and collect taxes due  
22 thereunder for any period prior to December 31, 2004<sup>1</sup>.

23 <sup>2</sup>b. An employer payroll tax imposed by a municipality that is  
24 subject to the provisions of P.L.1999, c.216 (C.54:1-35.51 et al.) shall  
25 not be authorized under subsection a. of this section on or after  
26 <sup>3</sup>[December 31, 2001]September 30, 2000<sup>3</sup>, however, such tax may  
27 be continued pursuant to the provisions of P.L.1999, c.216 (C.54:1-  
28 35.51 et al.).<sup>2</sup>

29 (cf: P.L.1996, c.33, s.1)

30

31 <sup>1</sup>2. Section 8 of P.L.1970, c.326 (C.40:48C-8) is amended to read  
32 as follows:

33 8. <sup>2</sup>[No] a. Except as provided in subsection b. of this section no<sup>2</sup>  
34 tax shall be imposed under any ordinance adopted pursuant to this  
35 article with respect to parking services provided on or after  
36 December 31, [1999] 2004.<sup>1</sup>

37 <sup>2</sup>b. A tax with respect to parking services imposed by a  
38 municipality that is subject to the provisions of P.L.1999, c.216

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Senate SCU committee amendments adopted November 16, 1998.

<sup>2</sup> Assembly ALH committee amendments adopted December 2, 1999.

<sup>3</sup> Assembly AAP committee amendments adopted January 6, 2000.

1 (C.54:1-35.51 et al.) shall not be authorized under subsection a. of this  
2 section on or after <sup>3</sup>【December 31, 2001】September 30, 2000 <sup>3</sup>.  
3 however, such tax may be continued pursuant to the provisions of  
4 P.L.1999, c.216 (C.54:1-35.51 et al.).<sup>2</sup>  
5 (cf: P.L.1991, c.288, s.1)

6  
7 <sup>2</sup>3. (New section) Without limiting the applicability of the "Local  
8 Tax Authorization Act," P.L.1970, c.326 (C.40:48C-1 et seq.), the  
9 exemption provided in P.L.1972, c.201, s.7 (C.40:48C-41) to parking  
10 taxes authorized under that act shall not be applicable to bodies  
11 corporate and politic or instrumentalities of the State of New Jersey.<sup>2</sup>

12  
13 <sup>2</sup>【3.】<sup>4.</sup><sup>2</sup> This act shall take effect immediately.

14  
15  
16  
17  
18 Extends expiration date of certain municipally authorized taxes,  
19 clarifies State instrumentalities not exempt from local parking tax.

**SENATE, No. 1241**

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**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

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INTRODUCED JUNE 25, 1998

**Sponsored by:**

**Senator WYNONA M. LIPMAN**

**District 29 (Essex and Union)**

**Senator BERNARD F. KENNY**

**District 33 (Hudson)**

**Co-Sponsored by:**

**Senators O'Connor, Sacco, Rice, Codey and Lesniak**

**SYNOPSIS**

Removes expiration date of certain municipally-authorized taxes.

**CURRENT VERSION OF TEXT**

As introduced.



S1241 LIPMAN, KENNY

2

1 AN ACT concerning the expiration of certain municipal taxes,  
2 amending P.L.1970, c.326 and repealing section 8 of P.L.1970,  
3 c.326 (C.40:48C-8).

4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

7

8 1. Section 19 of P.L.1970, c.326 (C.40:48C-19) is amended to  
9 read as follows:

10 19. No tax shall be imposed under any ordinance adopted pursuant  
11 to this article with respect to services performed prior to January 1,  
12 1971, or in a calendar quarter prior to that in which the ordinance is  
13 adopted, or in a municipality that has not within two years prior to  
14 July 1, 1995 collected taxes or enacted an ordinance imposing a tax  
15 **[, or on or after December 31, 1999; but any such ordinance shall**  
16 **remain in effect with respect to the right of the municipality to receive**  
17 **reports and enforce and collect taxes due thereunder for any period**  
18 **prior to December 31, 1999].**

19 (cf: P.L.1996, c.33, s.1)

20

21 2. Section 8 of P.L.1970, c.326 (C.40:48C-8) is hereby repealed.

22

23 3. This act shall take effect immediately.

24

25

26

STATEMENT

27

28 This bill would eliminate the expiration date of two taxes which  
29 municipalities are authorized to impose under chapter 48C of Title 40  
30 of the Revised Statutes.

31 Under section 6 of P.L.1970 (C.40:48C-6) and section 2 of  
32 P.L.1991, c.288 (C.40:48C-1.3), Newark, Jersey City, Elizabeth and  
33 the Hudson County municipalities are authorized to impose a parking  
34 tax. This authorization is due to expire on December 31, 1999 under  
35 section 8 of P.L.1970, c.326 (C.40:48C-8). By repealing that section  
36 of law, this bill would make permanent these municipalities' authority  
37 to impose the parking tax.

38 In addition, this bill would remove the existing December 31, 1999  
39 expiration of the municipal payroll tax which municipalities are  
40 currently authorized to impose pursuant to section 15 of P.L.1970,  
41 c.326 (C.40:48C-15).

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

ASSEMBLY LOCAL GOVERNMENT AND HOUSING  
COMMITTEE

STATEMENT TO

[First Reprint]  
**SENATE, No. 1241**

with committee amendments

**STATE OF NEW JERSEY**

DATED: DECEMBER 2, 1999

The Assembly Local Government and Housing Committee reports favorably, with committee amendments, Senate Bill No. 1241 (1R).

Senate Bill 1241 (1R), as amended, would extend the expiration date of two taxes which certain municipalities are authorized to impose under chapter 48C of Title 40 of the Revised Statutes, with a special rule for Newark, and clarify that instrumentalities of the State are not exempt from a local parking tax imposed pursuant to that chapter.

Under section 6 of P.L.1970, c.326 (C.40:48C-6) and section 2 of P.L.1991, c.288 (C.40:48C-1.3), Newark, Jersey City, Elizabeth and the Hudson County municipalities are authorized to impose a parking tax. This authorization is due to expire on December 31, 1999 under section 8 of P.L.1970, c.326 (C.40:48C-8).

In addition, this bill would extend to December 31, 2004, the authorization to impose the municipal payroll tax, which would otherwise expire on December 31, 1999 pursuant to section 19 of P.L.1970, c.326 (C.40:48C-19).

The committee amended the bill to make special provisions for Newark in order to avoid a conflict with P.L.1999, c.216, which became effective on September 21, 1999. Under that act certain local taxes were extended for Newark alone, in conjunction with a five-year phase-in of the revaluation of the city. The committee amendments extend the payroll and parking tax authorization for Newark through December 30, 2001, to provide ample time for the revaluation. Those taxes may be extended further under the terms of P.L.1999, c.216.

The committee further amended the bill to insert a new section which would clarify that instrumentalities of the State, such as New Jersey Transit Corporation, are not exempt from local parking taxes authorized by the "Local Tax Authorization Act," P.L.1970, c.326 (C.40:48C-1 et seq.).

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

[Second Reprint]

## **SENATE, No. 1241**

with Assembly committee amendments

# **STATE OF NEW JERSEY**

DATED: JANUARY 6, 2000

The Assembly Appropriations Committee reports favorably Senate Bill No. 1241 (2R), with committee amendments.

Senate Bill No. 1241 (2R), as amended, extends the expiration date of two taxes which certain municipalities are authorized to impose under chapter 48C of Title 40 of the Revised Statutes, with a special rule for municipalities subject to the provisions of P.L.1999, c.216.

Under section 6 of P.L.1970, c.326 (C.40:48C-6) and section 2 of P.L.1991, c.288 (C.40:48C-1.3), Newark, Jersey City, Elizabeth and the Hudson County municipalities are authorized to impose a parking tax. This authorization expired on December 31, 1999 under section 8 of P.L.1970, c.326 (C.40:48C-8).

This bill extends to December 31, 2004, the authorization to impose the municipal payroll tax, which would otherwise expire on December 31, 1999 pursuant to section 19 of P.L.1970, c.326 (C.40:48C-19). However, the bill provides special treatment for municipalities subject to the provisions of P.L.1999, c.216. Under that act certain local taxes were extended for Newark alone, in conjunction with a five-year phase-in of the revaluation of the city. This bill extends the payroll and parking tax authorization for Newark through September 30, 2000 (actually, a few days after the deadline set by P.L.1999, c.216 for signing an approved revaluation contract), and those taxes can be extended further under the terms of P.L.1999, c.216.

The bill also clarifies that instrumentalities of the State, such as New Jersey Transit Corporation, are not exempt from local parking taxes authorized by the "Local Tax Authorization Act," P.L.1970, c.326 (C.40:48C-1 et seq.).

### FISCAL IMPACT:

The enactment of this bill will have no fiscal impact on State revenues or expenditures.

The only municipality authorized to impose a wage tax is Newark. Based on reported revenues for fiscal years 1996 and 1997 and anticipated revenues for fiscal year 1998, it is anticipated that the



Newark wage tax will yield approximately \$30 million if imposed for the entirety of fiscal year 2000 and the Newark parking tax will yield approximately \$10 million if imposed for the entirety of fiscal year 2000.

The bill will raise additional revenues for municipalities that impose parking taxes; however, there is no readily available information on the municipalities other than Newark to estimate either how many qualified municipalities will enact ordinances imposing a parking tax or the amount of the revenues that will be realized.

COMMITTEE AMENDMENTS:

The amendments change the provisions that provides authorization for Newark to impose the payroll and parking tax independently of P.L.1999, c.216 from December 31, 2001 to September 30, 2000, in line with the deadline set by P.L.1999, c.216 for signing an approved revaluation contract.

# SENATE COMMUNITY AND URBAN AFFAIRS COMMITTEE

## STATEMENT TO

### **SENATE, No. 1241**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: NOVEMBER 16, 1998

The Senate Community and Urban Affairs Committee reports favorably and with committee amendments Senate Bill No. 1241.

Senate Bill 1241, as amended by the committee, would extend the expiration date of two taxes which certain municipalities are authorized to impose under chapter 48C of Title 40 of the Revised Statutes.

Under section 6 of P.L.1970, c.326 (C.40:48C-6) and section 2 of P.L.1991, c.288 (C.40:48C-1.3), Newark, Jersey City, Elizabeth and the Hudson County municipalities are authorized to impose a parking tax. This authorization is due to expire on December 31, 1999 under section 8 of P.L.1970, c.326 (C.40:48C-8). This bill, as amended, by the committee, would extend authorization to December 31, 2004.

In addition, this bill would extend to December 31, 2004, the authorization to impose the municipal payroll tax, which would otherwise expire on December 31, 1999 pursuant to section 19 of P.L.1970, c.326 (C.40:48C-19).

As originally introduced, this bill would have eliminated the expiration of the authorization to impose these taxes, thereby making the authorization permanent. The committee amended the bill to extend the authorization deadline to Deadline 31, 2004.

# **LEGISLATIVE FISCAL ESTIMATE**

[First Reprint]

## **SENATE, No. 1241**

# **STATE OF NEW JERSEY**

## **208th LEGISLATURE**

DATED: JULY 6, 1999

Senate Bill 1241 (1R) of 1998 would extend the expiration date of two taxes which certain municipalities are authorized to impose under chapter 48C of Title 40 of the Revised Statutes.

Under section 6 of P.L.1970, c.326 (C.40:48C-6) and section 2 of P.L.1991, c.288 (C.40:48C-1.3), Newark, Jersey City, Elizabeth and the Hudson County municipalities are authorized to impose a parking tax. This authorization is due to expire on December 31, 1999 under section 8 of P.L.1970, c.326 (C.40:48C-8). This bill would extend authorization to December 31, 2004.

In addition, this bill would extend to December 31, 2004, the authorization to impose the municipal payroll tax, which would otherwise expire on December 31, 1999 pursuant to section 19 of P.L.1970, c.326 (C.40:48C-19).

The OLS states that the enactment of this bill will have no fiscal impact on the State. The bill will raise additional revenues for municipalities which impose parking taxes and payroll taxes under the provisions of the bill. However, there is no readily available information to estimate either how many qualified municipalities will enact ordinances imposing the parking tax or payroll tax or the amount of the revenues that will be realized.

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

**ASSEMBLY, No. 3642**

**STATE OF NEW JERSEY**  
**208th LEGISLATURE**

INTRODUCED JANUARY 6, 2000

**Sponsored by:**

**Assemblyman WILLIAM D. PAYNE**

**District 29 (Essex and Union)**

**SYNOPSIS**

Extends expiration date of certain municipally authorized taxes, clarifies State instrumentalities not exempt from local parking tax.

**CURRENT VERSION OF TEXT**

As introduced.



A3642 PAYNE

2

1 AN ACT concerning the expiration of certain municipal taxes,  
2 amending and supplementing P.L.1970, c.326.

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. Section 19 of P.L.1970, c.326 (C.40:48C-19) is amended to  
8 read as follows:

9 19. **[No]** a. Except as provided in subsection b. of this section no  
10 tax shall be imposed under any ordinance adopted pursuant to this  
11 article with respect to services performed prior to January 1, 1971, or  
12 in a calendar quarter prior to that in which the ordinance is adopted,  
13 or in a municipality that has not within two years prior to July 1, 1995  
14 collected taxes or enacted an ordinance imposing a  
15 tax, or on or after December 31, 1999; but any such ordinance shall  
16 remain in effect with respect to the right of the municipality to receive  
17 reports and enforce and collect taxes due thereunder for any period  
18 prior to December 31, 1999], or on or after December 31, 2004; but  
19 any such ordinance shall remain in effect with respect to the right of  
20 the municipality to receive reports and enforce and collect taxes due  
21 thereunder for any period prior to December 31, 2004.

22 b. An employer payroll tax imposed by a municipality that is  
23 subject to the provisions of P.L.1999, c.216 (C.54:1-35.51 et al.) shall  
24 not be authorized under subsection a. of this section on or after  
25 September 30, 2000, however, such tax may be continued pursuant to  
26 the provisions of P.L.1999, c.216 (C.54:1-35.51 et al.).  
27 (cf: P.L.1996, c.33, s.1)

28  
29 2. Section 8 of P.L.1970, c.326 (C.40:48C-8) is amended to read  
30 as follows:

31 8. **[No]** a. Except as provided in subsection b. of this section no  
32 tax shall be imposed under any ordinance adopted pursuant to this  
33 article with respect to parking services provided on or after  
34 December 31, [1999] 2004.

35 b. A tax with respect to parking services imposed by a municipality  
36 that is subject to the provisions of P.L.1999, c.216 (C.54:1-35.51 et  
37 al.) shall not be authorized under subsection a. of this section on or  
38 after September 30, 2000, however, such tax may be continued  
39 pursuant to the provisions of P.L.1999, c.216 (C.54:1-35.51 et al.).  
40 (cf: P.L.1991, c.288, s.1)

41  
42 3. (New section) Without limiting the applicability of the "Local

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 Tax Authorization Act," P.L.1970, c.326 (C.40:48C-1 et seq.), the  
2 exemption provided in P.L.1972, c.201, s.7 (C.40:48C-41) to parking  
3 taxes authorized under that act shall not be applicable to bodies  
4 corporate and politic or instrumentalities of the State of New Jersey.

5  
6 4. This act shall take effect immediately.

7  
8  
9 STATEMENT

10  
11 This bill would extend the expiration date of two taxes which certain  
12 municipalities are authorized to impose under chapter 48C of Title 40  
13 of the Revised Statutes, with a special rule for Newark, and clarify that  
14 instrumentalities of the State are not exempt from a local parking tax  
15 imposed pursuant to that chapter.

16 Under section 6 of P.L.1970, c.326 (C.40:48C-6) and section 2 of  
17 P.L.1991, c.288 (C.40:48C-1.3), Newark, Jersey City, Elizabeth and  
18 the Hudson County municipalities are authorized to impose a parking  
19 tax. This authorization is due to expire on December 31, 1999 under  
20 section 8 of P.L.1970, c.326 (C.40:48C-8).

21 In addition, this bill would extend to December 31, 2004, the  
22 authorization to impose the municipal payroll tax, which would  
23 otherwise expire on December 31, 1999 pursuant to section 19 of  
24 P.L.1970, c.326 (C.40:48C-19).

25 The bill makes special provisions for Newark in order to avoid a  
26 conflict with P.L.1999, c.216, which became effective on September  
27 21, 1999. Under that act certain local taxes were extended for Newark  
28 alone, in conjunction with a five-year phase-in of the revaluation of the  
29 city. The bill extends the payroll and parking tax authorization for  
30 Newark through September 30, 2000, to provide ample time for the  
31 revaluation. Those taxes may be extended further under the terms of  
32 P.L.1999, c.216.